FY 2024 Budget Request for Europe and Eurasia

TESTIMONY

MARIA LONGI, COORDINATOR OF U.S. ASSISTANCE TO EUROPE AND EURASIA

HOUSE FOREIGN AFFAIRS COMMITTEE, SUBCOMMITTEE ON EUROPE WASHINGTON, DC

MAY 23, 2023

Thank you, Chairman Kean and Ranking Member Keating, for inviting me to testify before you today. My colleagues, Ambassadors Hogan and McKee, have spoken about the President's FY24 budget request for Europe and Eurasia. I would like to address the on-the-ground impact our assistance has had, and how it advances U.S. national interests — particularly in the midst of Russia's brutal invasion of Ukraine.

Let me start with energy security. In Ukraine – as Ambassador McKee mentioned – our assistance has helped Ukraine maintain citizens' access to power and heat in the face of Russia's relentless attacks on its electricity grid. In partnership with other donors, we have already begun planning for this coming winter with a more decentralized, efficient, and cleaner energy system, while also providing support for Ukraine's EU integration on better aligning its electricity trade, gas sector support, and nuclear safety and security practices with those of the EU.

Moldova faced its own energy crisis this winter, and we channeled assistance to enable reverse-flow gas transfers from the TransBalkan

Pipeline, facilitate open-market gas purchases, and link Moldova to the European electricity grid. And in a number of countries, including Armenia, we are assessing the feasibility of Small Modular Nuclear Reactors – built with U.S. technology – that could facilitate greater energy independence from both Russia and the PRC.

We have also directed our assistance to strengthen good governance across the region, with programs that improve transparency and fight corruption, and foster or enable economic transformation and Euro-Atlantic integration. In Ukraine, our assistance has aimed to strengthen transparent and independent anti-corruption, tax, and budget auditing authorities, and has helped improve corporate governance and state management— all intended to build the framework necessary to ensure transparent and sustainable reconstruction. We have also bolstered the digitization of procurement – including in Ukraine's corruption-prone construction sector— and e-governance. These programs have made a clear impact on investor confidence: I was in Kyiv last month when the Horizon Capital Growth Fund announced a \$250 million Fund IV investment round in the country's private sector.

Our good governance assistance to Moldova has empowered marginalized communities; strengthened civil society oversight over public procurement; and expanded independent, local news sources across the country. In Kosovo, our recent support has helped transform the country's Commercial Court, unsticking backlogs and significantly improving participant satisfaction. In Albania, we have strengthened the Special Anti-Corruption Structure (SPAK) as it went after powerful, corrupt forces—including crooked cops, members of Parliament, and even a former Deputy Prime Minister. In Montenegro, we have supported investigative journalists whose work led to the arrest of the

country's Supreme Court President. And in Serbia, viewership of U.S.-supported independent media has grown by over 30 percent.

On law enforcement and security, our assistance is producing results for the region and beyond. We are facilitating partnerships between the Illinois State Police and counterparts in Georgia to bolster respect for human rights in the law enforcement community, and the United States has provided body-worn cameras to 50 police stations across North Macedonia, reducing corruption complaints by 34 percent. An embedded U.S. prosecutor in Albania is advising on the vetting of judges and prosecutors, which so far has resulted in 60 percent of the judges and prosecutors screened leaving their positions.

Finally, let me turn to the human dimension of Russia's war. U.S. assistance has been supporting the brave men, women, and children of Ukraine as they cope with Russia's onslaught. It has powered hospitals and facilities caring for thousands of wounded veterans and civilians, and funded broad-based consultative care for more than 40,000 internally displaced people. We have supported independent verification of Russia's atrocities by the UN Human Rights Monitoring Mission and others across multiple domains, including satellite imagery, social media, and traditional reporting. Ultimately, the immense tragedy of Russia's war of choice underscores the urgency of our assistance right now.

This is just a brief snapshot of the power of American assistance. With bipartisan Congressional support, our FY24 budget request for foreign assistance – a 7% increase over our FY23 request – will do more to advance an energy-independent, democratically strong, economically resilient region on the path toward a "Europe whole, free and at peace."

As my colleagues have noted, our assistance has helped catalyze support from our Allies and partners as we address challenges in the region together. We are committed to using the resources Congress provides to continue this work, to advance our goals, to strengthen our partnerships, and to serve the American people.

Thank you and I welcome your questions.